Virtual PACE Encounter

Integrated Encounter Reporting Objectives & Rationale

A critical objective of the Virtual PACE initiative is to reduce duplication, redundancies and systems inefficiencies on the path to delivering Medicare and Medicaid benefits to enrollees. Currently, Wisconsin Managed Care Organizations in the Family-Care Partnership and PACE programs (the most integrated of existing options) submit separate encounter reporting to both CMS and the State of Wisconsin. Some of this data is duplicative and others parts of it are specific to the Medicaid or Medicare benefit. MCOs and other Health Plans have voiced in our stakeholder interactions that a single reporting portal and standardized instructions would reduce duplicative administrative activities for their businesses and create one area of system efficiency. Additionally, standardization of the encounter reporting requirements across CMS and the state will provide a solid foundation for each to monitor service provision and subsequent measures of the demonstrations impact.

Towards this goal, we propose establishing one encounter reporting system for Integrated Care Organizations (ICOs). DHS and CMS will work together to assure each is receiving the information it needs from the integrated reporting and to establish a mechanism for sharing data between each of their systems.

Options for Consolidation of Encounter Reporting Processes

There are two basic options for consolidated reporting: Wisconsin's current system could be used as the basis for consolidated encounter reporting, and Wisconsin could send encounter data on to CMS, or the CMS system could be used, and CMS could send encounter data on to Wisconsin.

Wisconsin's Encounter Reporting System for Long Term Care Managed Care Programs

Wisconsin has different processes, systems, and requirements for encounter reporting for long term care (LTC) managed care programs (Family Care (FC), FC-Partnership (FC-P), and PACE) and for acute & primary managed care programs (BadgerCare Plus and SSI HMOs). It is the long term care processes that are proposed as the basis for Virtual PACE encounter reporting. Documentation on these encounter reporting requirements is available online: http://www.dhs.wisconsin.gov/LTCare/encounter/index.htm

Wisconsin currently requires LTC managed care organizations (MCOs) to report encounter data that includes the MCO's cost for the service. This includes Medicare, Medicaid, and HCBW services covered in each program. The reporting of costs in encounter data is advantageous in obtaining information about the actual cost of services; however, it can be challenging to price internally-provided services (services rendered by the organization's own employees, rather than a contracted provider whose bill would be processed through a claims payment system). This would be one challenge to address in improving upon the existing encounter reporting system.

FC-P MCOs receive capitation payments from both CMS and DHS, as would Virtual PACE ICOs. These MCOs report their total cost for a service, and also report a Medicare cost that should indicate the portion of the cost that would be attributable to Medicare. However, the methods for determining these costs can be problematic and DHS has sometimes needed to have encounter data re-priced to properly determine the amounts

attributable to Medicaid and Medicare. This approach could be leveraged to further improve Virtual PACE encounter reporting.

Medicare Advantage Encounter Reporting to CMS

CMS established new encounter reporting requirements for Medicare Advantage plans effective for 2012. Prior to that, Medicare Advantage plans submitted data in an abbreviated format to provide diagnostic information for risk adjustment; now CMS will collect data and price it based on a modified version of FFS claims processing systems.[1] CMS was to begin requiring submission of encounter data for all services except DME on January 1, 2012, and submission of DME data in May 2012, through a new Encounter Data Processing System (EDPS).[2] There does not appear to be much further encounter reporting requirement information readily accessible on the CMS website or in the Medicare Managed Care Manual, though Wisconsin should and will seek details from CMS.

Proposed Encounter Reporting Approach

It appears it may be more feasible to continue with the proposed approach of using the FC-P encounter reporting system, possibly with improvements to address certain issues, as the basis for Virtual PACE encounter reporting. Wisconsin's FC-P encounters currently include actual cost and accommodate the reporting of the more comprehensive benefit package (Medicare, Medicaid, and HCBW services). The CMS system for Medicare Advantage is newly established and appears to only be prepared to accept and price encounters for services included in the Medicare FFS benefit package. Thus, it would likely be problematic for the CMS system to serve as the basis for consolidated encounter reporting.

If encounter reporting is to be consolidated, much further work is needed jointly between DHS and CMS to determine whether and how DHS could send encounter data on to CMS rather than requiring encounter reporting via CMS' own system. This could include submitting an extract of DHS-collected Virtual PACE encounter data through the new CMS EDPS system or through a separate process, or the inclusion of Virtual PACE encounter data in Wisconsin's MSIS submissions. Any of these options would require systems changes, and both time and funding would be needed to implement such changes.

Wisconsin continues to expect that the integrated demonstration program will eliminate duplication and inefficiencies, including in reporting requirements, so irrespective of which system is the basis for integrated reporting, the outcome must be a reduction in duplicative reporting by ICOs.

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[1] http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R996OTN.pdf
[2] https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/downloads/Advance2012.pdf